

REMARKS

The above amendment and these remarks are responsive to the Office Action of Examiner Gerald J. O'Connor, mailed 21 Sep 2005.

Claims 1-3, 20 and 21 are in the case, none being allowed.

35 U.S.C. 101

Claims 1-3, 20, and 21 have been rejected under 35 U.S.C. 101 as directed to non-statutory subject matter, as drawn to the production and/or manipulation of non-functional descriptive material, effecting no useful, concrete, and tangible result.

Applying the decisions of *State Street Bank* and *AT&T Corp.* to applicant's claims, as current practice requires, clearly establishes the claims as allowable under 35 U.S.C. 101. As the court states in *State Street Bank*,

"Today we hold that the transformation of data, representing discrete dollar amounts, by a machine through a series of mathematical calculations into a

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final share price, constitutes a practical application of a mathematical algorithm, formula, or calculation, because it produces 'a useful, concrete and tangible result' ---a final share price momentarily fixed for recording and reporting purposes and even accepted and relied upon by regulatory authorities and in subsequent trades." [47 USPQ 2d at 1601.]

This analysis is rendered applicable to method claims by AT&T Corp., as follows:

"...we are comfortable in applying our reasoning in *Alappat* and *State Street* to the method claims at issue in this case." [31 USPQ 2d 1545, 1452.]

Applicants claims recite the useful, concrete, and tangible results of the requisitioner (1) creating line items, (2) initiating proceed to accounting process, (3) selecting line items, and (4) selecting and populating fields necessary to the creation of valid requisition with properly designated general ledger accounting entries, the latter based on the company commodity document prepared by the administrator which presents general ledger accounts numbers and descriptions to the requisitioner.

Support for these limitations are found in the specification at page 31, lines 3-17, as follows:

"To create a requisition, a user searches against commodities and catalogs in commodity description

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documents 150, which may be Notes documents or DB2 records, and creates one or more line items. These searches may be done by catalog and non-catalog, and driven based on descriptions entered by requester. A hierarchy of families may be provided as an alternative search approach. The requisitioner initiates a proceed to accounting process, which displays line items which may be selected by requisitioner; and then displays a financial worksheet created by a Java agent with fields which need to be selected or populated by the requisitioner from the company commodity document, based on purchase type, and which presents valid general ledger accounts numbers and descriptions to the requisitioner." [Emphasis added.]

Applicants have amended claim 1 to more clearly recite the "(4) selecting and populating" step of the invention described above. Claims 2-3, 20, and 21 depend from claim 1, and are similarly drawn to the useful, concrete, and tangible result of claim 1.

Applicants urge that the rejection of claims 1-3, 2, and 21 under 35 U.S.C. 101 be reconsidered and withdrawn.

35 U.S.C. 103

Claim 1-3, 20, and 21 have been rejected under 35 U.S.C. 103(a) over Gardner et al. (US 5,758,327).

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Applicants traverse, and argue that the Examiner has not established a prima facie case of obviousness, which requires that the Examiner provides

1. one or more references
2. that were available to the inventor and
3. that teach
4. a suggestion to combine or modify the references,
5. the combination or modification of which would appear to be sufficient to have made the claimed invention obvious to one of ordinary skill in the art.

The fourth element of the prima facie case, the suggestion to combine, must come from the prior art. It is insufficient to establish obviousness that the separate elements of the invention existed in the prior art, absent some teaching or suggestion, in the prior art, to combine the elements. [See *Arkie Lures, Inc. v. Gene Larew Tackle, Inc.*, 43 USPQ 2d 1294 (Fed. Cir. 1997)]. That a claimed invention may employ known principles does not itself establish that the invention would have been obvious, particularly where those principles are employed to deal with different problems. The Examiner must consider the claim as a whole, and not piece together the claimed invention using the claims as a guide. The Federal Circuit has stated: "[o]ne cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. [See *In re Fritch*, 23 USPQ 2d 1780, 1784 (Fed. Cir. 1992)].

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In rejecting claims under 35 U.S.C. § 103, the Examiner bears the initial burden of presenting a prima facie case of obviousness. See In re Rijckaert, 9 F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993). To reach a conclusion of obviousness under § 103, the Examiner must produce a factual basis supported by a teaching in a prior art reference or shown to be common knowledge of unquestionable demonstration. Such evidence is required in order to establish a prima facie case. In re Piasecki, 745 F.2d 1468, 1471-72, 223 USPQ 785, 787-88 (Fed. Cir. 1984). The Examiner must not only identify the elements in the prior art, but also show 'some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead the individual to combine the relevant teachings of the references. In re Fine, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988).

A rejection under 35 U.S.C. § 103 must be based on whether there is a teaching, motivation, or suggestion to select and combine the references based on objective evidence of record. Therefore, the Examiner must identify a reason, suggestion, or motivation which would have led an inventor to combine those references. Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc., 75 F.3d 1568, 1573, 37 USPQ2d 1626, 1629, (Fed. Cir. 1996).

Applicants draw to the attention of the Examiner two specific steps of their invention, most clearly stated in claim 3, but present in the base claim 1 as well. That is,

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first, the requisitioner selects what to order, referencing the commodity code; and, second, the system determines a narrow list of selected types of purchases and displays valid general ledger accounts and 'fields' for user entry.

The Examiner is correct in observing that companies typically provide account codes and descriptions. However, applicant's invention goes beyond that and recognizes that where hundreds of account codes are involved, there is an advantage in narrowing the list of account codes and descriptions to present to the requisitioner for selection. The list presented includes only those general ledger accounting codes appropriate for a selected commodity code and associated type of purchase, such as expenditure, asset, work in process, resale - thus eliminating the need for the requisitioner to select from a large list, such as may be expected of an accounting expert, but not a requisitioner.

Thus, applicants invention involves the loading of commodity codes and charts of accounts, and expands on that concept in ways not taught by Gardner et al. The commodity codes and general ledger accounting codes are presented to a user (requisitioner) in a specific sequence that enhances the accuracy and simplifies the process for entering a requisition.

Applicants provide administrators the ability to connect commodity codes with a subset of the accounting codes, as appropriate for the business and country. In this way, a requester or requisitioner ordering an item that is

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not found in a catalog can still submit a requisition with complete and accurate accounting information. This concept is at the core of applicants' invention, which is front-end business logic and validation. It isn't enough to just load the commodity codes and charts of accounts. The requester needs to be provided a method by which he would be able to enter valid accounting data without a painful process of trial and error. There are hundreds of accounting codes in applicants' chart of accounts. By giving an administrator the ability to link a handful ("selects from req/cat system database valid accounts with descriptions for a given commodity...") of these codes with a given commodity code, and furthermore to provide a meaningful description of the accounting code, applicants have enhanced the shopping experience for the end user, whether he is ordering from a catalog or not. Once a commodity code is selected, whether from the catalog or by commodity description only, the user then has a short list of just a few account codes (those selected by the administrator), along with a description of when each should be used, for selection.

In this way, applicants have ensured that requisitions being sent for approvals are not rejected due to invalid accounting codes, and requisitions that are approved and sent to the processing system (ERP) also do not fail validation upon automated entry.

This process is further explained in applicants' specification, as follows:

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Thus, in accordance with a preferred embodiment of the invention, a method is provided for creating a valid chart of accounts from which an administrator 184 can facilitate and enable a requisitioner to select a valid general ledger account. First, there is push from an enterprise (erp) system a chart of accounts 140 with descriptions to a req/cat system database. The administrator selects from req/cat system database valid accounts with descriptions for a given commodity and purchase time period, and then pushes the selected account/description tuple to the company commodity groups, thus completing the setup of the commodity documents 150 to be used in the requisition creation process. A company commodity document 150 created by administrator 184 may include for each commodity code under each company, commodity code 152, which is a very broad category [sic], short description 190, long description 191 (from procurement organization 182), key words 192, approvers 193, financial information 194 (including purchase type 198, and general ledger account 199), route-to buyer 195 (by plant association), preferred supplier 196 (which associates the commodity code to a catalog 158), and special handling code 197 (with drop list including, for example, skills matching, obi, administrative services) -- all used to drive the customer to the correct commodity."

"To create a requisition, a user searches against commodities and catalogs in commodity description

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documents 150, which may be Notes documents or DB2 records, and creates one or more line items. These searches may be done by catalog and non-catalog, and driven based on descriptions entered by requester. A hierarchy of families may be provided as an alternative search approach. The requisitioner initiates a proceed to accounting process, which displays line items which may be selected by requisitioner; and then displays a financial worksheet created by a Java agent with fields which need to be selected or populated by the requisitioner from the company commodity document, based on purchase type, and which presents valid general ledger accounts numbers and descriptions to the requisitioner." (Specification, page 30, line 3 to page 31, line 17.)

Applicants' specifically recite that the description maps account codes selected by the administrator to a given commodity code from an associated accounting system for use by a requester to select the correct general ledger account when doing financial validation on a requisition for commodities. The independent claims in the case are limited to the requirement that upon the requisitioner selecting a commodity from a commodity description document and initiating a proceed to accounting process, the requisitioner is presented with a financial worksheet which presents valid general ledger accounts numbers and descriptions from which the requisitioner makes his selections and entries.

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With respect to this concept, the Examiner states:

"...but Gardner et al. do not specifically disclose that the chart of accounts includes descriptions, nor that the valid accounts have a limited purchase period, nor presenting to the requisitioner a financial worksheet with valid general ledger account numbers and descriptions for selection by the requisitioner." (Office Action, page 4.)

The Examiner then continues:

"However, descriptions and valid periods (such as a name of the account and a particular valid fiscal year) for accounts are well known, hence obvious, elements to include in any system of requisitioning accounting so that the users know for what purpose each account is intended, or, in other words, providing a "mapping" or concordance between valid account codes/numbers and particular corresponding commodities/codes."

"Likewise, presenting accounting data comprising charts of accounts in the form of a financial worksheet with valid general ledger account numbers and descriptions for selection by the requisitioner, is certainly well known, hence obvious, step to follow in the field of accounting.

"Therefore, it would have been obvious to one of

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ordinary skill in the art, at the time of the invention, to have modified the method of Gardner et al., so as to include account descriptions and periods, as is well known to do, in order to facilitate selection of the proper account to which to charge a particular requisition, and to present to the requisitioner a financial worksheet with valid general ledger account numbers and descriptions for selection by the requisitioner, as is also well known to do, doing so simply as a matter of design choice, since making such modifications could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results." (Office Action, pages 4-5.)

Applicants respectfully traverse this conclusion.

Applicants argue that it is not merely the presentation of descriptions of each commodity code that is being claimed, but rather the circumstances under which those descriptions are presented and used.

The Examiner states that Gardner teaches "selecting from the requisition catalog computer system database 10 valid accounts with descriptions for a given commodity, column 5, line 57 to column 6, line 13." This is what Gardner teaches:

"In addition to identifying items and the costs of the items, the storing of the catalog may include

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storing commodity code structures and charts of accounts for the companies 12, 14 and 16 for transactions with the vendors 24, 26 and 28."

"The next step 40 in FIG. 2 is one in which an individual requestor 18 of FIG. 1 identifies one or more products or services. The item or items may be from the stored catalog or may be non-cataloged items."

"In operation, one of the requesters 18 of company 12 may browse the electronic catalog to determine whether a specific item is available. In addition to the general catalog, there may be a company-specific catalog available to the requesters 18 of company 12. The company-specific catalog may include items not available to the other companies 14 and 16 or may include discount and other pricing information different than the other companies. If the item is found by the requestor 18, a requisition form is completed by the requester. The requisition form may be stored at the central computer system 10 as part of the requisition rules 36 for the company. In addition to the identification of the item or items, the requisition form will include blocks regarding the identification of the company, any commodity code, any account code, etc." [Gardner, col. 5-6.]

Applicants contend that Gardner cannot be reasonably interpreted as teaching applicants invention, which includes, first, that the requisitioner selects what to

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order, referencing the commodity code; and, second, that the system determines a narrow list of selected types of purchases and displays valid general ledger accounts and 'fields' for user entry.

As claimed, the commodity code descriptions are presented in a financial worksheet responsive to a requisitioner initiating a proceed to accounting process. This accounting process is initiated after the requisitioner has selected the commodity from a commodity description document presenting the commodity codes. After initiating the proceed to accounting process, the requisitioner is then presented a financial worksheet with only a selected few valid general ledger accounts numbers and descriptions for selection by said requisitioner.

The Examiner draws upon several alleged well known elements from the prior art, such as descriptions, valid periods, presenting charts of accounts to a requisitioner. Applicants demur, but argue that the combination of such elements in the manner claimed by applicants is not taught nor suggested by the prior art but rather by applicants own disclosure.

Applicants argue that it is not merely the presentation of descriptions of each commodity code that is being claimed, but rather the circumstances under which those descriptions are selected from a large body of accounts, and then presented and used. As claimed, the commodity code descriptions are presented in a financial worksheet

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responsive to a requisitioner initiating a proceed to accounting process. This accounting process is initiated after the requisitioner has selected the commodity from a commodity description document presenting the commodity codes. After initiating the proceed to accounting process, the requisitioner is then presented a financial worksheet with a selected few valid general ledger accounts numbers and descriptions which facilitate selection by said requisitioner of just that account which is pertinent to his transaction.

Applicants urge that claims 1-3, 20 and 21 be allowed.

SUMMARY AND CONCLUSION

Applicants urge that the above amendments be entered and the case passed to issue with claims 1-3, 20, and 21.

The Application is believed to be in condition for allowance and such action by the Examiner is urged. Should differences remain, however, which do not place one/more of the remaining claims in condition for allowance, the Examiner is requested to phone the undersigned at the number provided below for the purpose of providing constructive assistance and suggestions in accordance with M.P.E.P. Sections 707.02(j) and 707.03 in order that allowable claims can be presented, thereby placing the Application in condition for allowance without further proceedings being

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necessary.

Sincerely,

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